

Export and Import Permits

well-known fact that if the price of oil rises high enough a great deal of crude can be extracted from our old fields and used. Presumably this is a wise conservation practice.

I certainly feel that the two-price system is bad in the long run and should only be used under certain special circumstances; otherwise the situation will remain as though the world price was prevailing both in and out of the country.

I think Canadians who are dependent on trade cannot divorce themselves from the world situation. They must expect to receive world prices and to pay world prices for what they consume. In that way Canadians will enjoy the highest standard of living possible; and I think it is because we have accepted our place in world markets that we do enjoy our present high standard of living.

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I would like to take part in the debate on Bill C-4, to amend the Export and Import Permits Act. I find the amendments offered in this piece of legislation extremely interesting. While the bill is not very extensive, we find that the proposed new first paragraph would permit the Governor in Council to restrict the exportation of any article that is a product of a natural resource of Canada or where national policy requires the further processing of that product in Canada.

The explanatory note then goes on to suggest that the proposed new paragraph would permit the Governor in Council to restrict the exportation of raw or semi-finished materials, other than agricultural products, produced in Canada in circumstances of surplus supply and depressed prices. I think this is a very welcome change. Let me point out that this party has for years been pressing governments at the federal level to bring about policies which would ensure that we manufacture a larger percentage of our raw materials within the confines of our own country than we do at the present.

There is no doubt that Canada is a great trading nation, and to the detriment of the Canadian economy we have in the past relied too heavily on the export of raw materials from the abundance we have in this great nation. We now see, in 1974, as we have for a number of preceding years, extremely heavy unemployment in Canada. While we are wealthier than we have ever been, and while in terms of export trade we have never shipped as much to other countries as we are shipping now, we have an increasing growth in our unemployment rates.

Let me give hon. members an example. It just does not make sense to rip out our non-renewable resources and get rid of them, often at fire sale prices, without looking to the future and planning what to do about the industrial future of this nation. One of the weaknesses of both Liberal and Tory governments in the past few years has been the lack of an industrial strategy for this nation. The old philosophy has been to dig out the raw material and get rid of it at any price.

I do not think anyone will question the suggestion that for every worker you have in the extractive industries—and let us take mining as an example—there is an increasing number in those industries which process the raw materials into finished products; that the further down the line you go and the more refining you do in the manufac-

[Mr. Ritchie.]

turing of products, the more labour intensive the industry becomes and the more men and women are hired to do the job.

Let me take hon. members back to British Columbia where I live. We have a vast copper resource in British Columbia. Practically all our copper concentrates are shipped from the province to the United States and Japan. We do not even have a smelter to turn the copper ore into ingots which could be shipped. The establishment of a copper smelter in British Columbia would provide employment for an additional 1,000 or 2,000 people. Why should we stop there? Why do we not go a little further, for example in producing copper wiring or tubing? Again this would provide thousands and thousands of jobs for Canadians living in Canada, instead of the manufacturing taking place in some other country which ships the finished product back. This is faulty economy, and it is stupid on the part of government to allow this type of policy to grow and encompass Canada from one end to the other.

● (1600)

As I say, it is time we developed an industrial strategy for Canada which looks to the future and makes certain that we provide opportunities for those who will follow in the years to come. There is much more that could be said about the processing of raw materials in Canada and the need for Canada to nurture its non-renewable resources. These non-renewable resources are limited. The time will come when we will be in trouble unless we again take measures to ensure that there is a continuity of supply for future Canadian use.

Tied in very closely with this is another aspect of industrial development which is very important. I refer to the use of energy. Again Canada has not been too wise. We are in the export field so far as oil is concerned; over half of our oil is exported. We find that our reserves are low with just a ten-year supply left. When these reserves are exhausted we will have to start moving to the more expensive tar sands, and hopefully to the reserves in the north and in the east if they are found in sufficient quantities to warrant development.

In addition, we export vast quantities of natural gas. If we are to have an industrial strategy and industrial future in this nation, we must plan now. Because if we get into the field of extensive manufacturing, one thing is certain; we will need far more energy than we are using today. Again this is part of the over-all planning which is required by this government in this particular day and age.

A number of members have spoken about a two-price system in Canada. I am not opposed to it. I think a two-price system, for example for oil, is an excellent idea. I regret that we ever allowed the price of oil to rise above the \$4 a barrel level to the \$6.50 per barrel level which the government negotiated with the premiers of the various provinces just about a month ago. It seems to me that at the price at which we are selling oil in Canada, \$6.50 does not represent the production cost of that oil. Even at the price of \$4 at the wellhead in Alberta—and Alberta is the province with the largest amount of oil reserves since over